



**Office of the Attorney General
Paul G. Summers**

NEWS RELEASE

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FOR IMMEDIATE RELEASE
April 24, 2003
#3-06

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STATES REACH FINAL AGREEMENT WITH BRISTOL MYERS-SQUIBB

Tennessee Attorney General Paul G. Summers today announced an estimated \$55 million agreement with the Bristol Myers-Squibb Company regarding antitrust allegations involving the cancer-fighting drug, Taxol.

Tennessee joined 49 other states and U.S. territories in the agreement with the drug manufacturer and will recover part of the \$55 million in claims for damages, penalties and individual consumer redress. The major complaint against the manufacturer was that it allegedly unlawfully blocked the entry of less expensive generic drugs into the marketplace.

"This is a significant victory for Tennessee" said Attorney General Summers. "This agreement will not only help compensate consumers and the State of Tennessee who overpaid for this drug, but will serve as a warning to others who would restrict the flow of free trade."

As part of the agreement, Bristol Myers-Squibb will include strong injunctive relief for ten years to prevent Bristol from engaging in anti-competitive conduct in the future and will provide free quantities of Taxol to some eligible DEA-approved health care facilities. Details of how much Tennessee will receive and how the claims will be processed will be announced at a later date.

The agreement was filed in Washington, D.C. If approved by the court, the Attorneys General will implement a claims administration process for consumers who purchased Taxol or its generic equivalent between January 1, 1999 and February 28, 2003. The Attorneys General have set aside approximately \$12 million for a nationwide consumer distribution to compensate

consumers who may have paid higher prices for Taxol.

Under the settlement, each participating state will receive damages incurred by certain governmental facilities that purchased the Taxol or its generic equivalent. While the ultimate allocation among the litigating states has not yet been determined, more than \$37 million will be set aside to be divided for this purpose. An estimated \$6 million will be used for costs of notifying the public and other administrative costs.